



# **BENCHMARKING OF CONTRACT CLOSEOUT**

**October 10, 1996**

BENCHMARKING OF CONTRACT CLOSEOUT



# **BENCHMARKING OF ACO MANAGEMENT OF CONTRACT CLOSEOUT**

- ◆ Background
- ◆ Approach
- ◆ Benchmarking Partners
- ◆ Keys to Success
- ◆ Recommendations
- ◆ Future Benefits
- ◆ Implementation Milestones



# BACKGROUND

- ◆ Team Charter and Milestones
- ◆ Time & Budget Process
- ◆ Team Composition

# TEAM COMPOSITION

**Carol Hess**

ACO, DCMC St. Louis, Project Team Leader

**Loretta Bowman**

DCMC-AQOE, Benchmarking Process Champion

**Wayne Murphy**

ACO, DCMC Atlanta

**Ted Lewis**

DPRA Chicago, Management Analyst



## **TEAM COMPOSITION**

**(continued)**

**Mary Rios**

Area Leader, DCMC San Antonio

**Janine Samson**

Contract Administrator, DCMC Pratt & Whitney,  
West Palm Beach, FL

**Joe Hahn**

Management Analyst, DPRA Chicago

# APPROACH

- ◆ Understanding Current Process
- ◆ Process Input and Performance Data Collected
  - Data Reviewed
- ◆ Selected Potential Benchmarking Partners
- ◆ Visited 21 Sites

# DATA REVIEWED

- ◆ Contracts closed from Oct 95 thru Apr 96
- ◆ Overage percentage for Oct 95 and Apr 96
- ◆ Percentage contracts closed on time
- ◆ Percentage contracts not closed on time
- ◆ Section 2 contract count from Oct 95 thru Apr 96
- ◆ Baldrige Category Champions

# DATA REVIEWED

## (continued)

- ◆ DCMC Process Improvement Initiatives
- ◆ PLAS Code 181 by hours, units and dollars by month, Oct 95 - Apr 96
- ◆ Contract mix
- ◆ Contract base for CAR Part A, Sec 1,2,3,&4
- ◆ Trends and/or consistency in meeting performance goals



# BENCHMARKING PARTNERS

A faint, light gray world map is visible in the background, centered behind the text. It shows the outlines of the continents.

- ◆ DCMC Clearwater
- ◆ DCMC Indianapolis
- ◆ DCMC Phoenix
- ◆ DCMC Twin Cities

# PERFORMANCE MEASURES

Measurement	DCMC Clearwater	DCMC Indianapolis	DCMC Phoenix	DCMC Twin Cities
#ACO Teams	4	8	8	12
Part A, Sec 2 Apr 96	515	294	958	936
# Part A's Closed (Oct95-Apr96)	624	935	1493	1190
Overage % Oct 95	12%	8%	4%	8%
Overage % Apr 96	2.5%	3.4%	7.5%	4.4%
% Closed on Time	91%	93%	91%	90%

BENCHMARKING OF CONTRACT CLOSEOUT

# KEYS TO SUCCESS

- ◆ Performance Plans
- ◆ Significant Management Focus and Direction
- ◆ Database Integrity
- ◆ Weekly / Monthly Performance Meetings
- ◆ Close As Quickly As Possible
- ◆ Follow the One Book

# KEYS TO SUCCESS

## (continued)

- ◆ Utilize Trusted Agents
- ◆ Cancelled Funds Report Beginning of FY
- ◆ Norm Analysis
- ◆ Compass 3-6 Months in Advance of Overage
- ◆ Best Practice and Lessons Learned Handbook

# RECOMMENDATIONS

- ◆ Implement Revised One Book Process
- ◆ Accelerate Training of Mod Input to Improve Accuracy and Purity of Database
- ◆ Charge All Contract Closeout to PLAS Code 181
- ◆ Ensure Distribution of May 95 “Best Practices and Lessons Learned Handbook”

# RECOMMENDATIONS

## (continued)

- ◆ Encourage Communication Between and Within ACO Teams
- ◆ Management Focus on Performance Goals and Ensuring Flow To All Teams
- ◆ During Implementation of the Benchmark Assure Benchmarking Team Involvement

# FUTURE BENEFITS

Implementation of Revised One Book Will Result  
in the Following:

- ◆ Increased hours in Plas Code 031, Contract Receipt Review and Postaward
- ◆ Decreased Hours in Plas Code 181, Contract Closeout
- ◆ Hours / Dollars per Contract Closed Should Decrease

# **FUTURE BENEFITS**

## **(continued)**

- ◆ Reduction of Rejected DD Forms 250
- ◆ Reduction of Base in CAR Part A, Section 2, as a Result of Closing as Quickly as Possible
- ◆ Initially Increased Overage Percentage as a Result of Reduced Base
- ◆ Increased Customer Satisfaction as a Result of Closing as Soon as Possible



# IMPLEMENTATION MILESTONES

- ◆ Incorporate Revised One Book - Apr 97
- ◆ Capture DCMC-Wide FY97 Baseline Data - Jan 97
- ◆ Develop & Deliver Training on Contract Closeout - Jul 97
- ◆ Manage Process by Reviewing Data On-Going